AR87

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT NO. 2348.

LISTED MARCH 21, 1969.

2,319,000 Common Shares without par value, of which 250,000 Shares are subject to issuance.
Stock Symbol "MAS".
Post Section 3.5.
Dial Quotation No. 1424.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

S. B. McLAUGHLIN ASSOCIATES LIMITED

Incorporated under the laws of the Province of Ontario
by letters patent dated September 23, 1957

CONSOLIDATED CAPITALIZATION AS AT FEBRUARY 28, 1969

SHARE CAPITAL	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Common shares without par value	5,000,000	2,069,000	2,319,000*

* of which 250,000 are subject to issuance.

FUNDED DEBT			
6%-11% mortgages payable by the Company and its wholly owned subsidiaries		$3,331,457.87	nil
7% Convertible Subordinated Debentures due January 15, 1989	$3,000,000	$3,000,000	nil

February 28, 1969.

1. APPLICATION

S. B. McLAUGHLIN ASSOCIATES LIMITED (the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 2,319,000 common shares without par value in the capital of the Company of which 2,069,000 are issued and are outstanding as fully paid. The remaining 250,000 common shares included in this application have been reserved as follows:

For issue upon conversion of outstanding 7% Convertible Subordinated Debentures	150,000
Officer/Employee stock options at $15 per share expiring January 20, 1974 (agreements January 20, 1969)	60,000
Officer/Employee stock options not yet granted pursuant to the Incentive Stock Option Plan for key employees of the Company	40,000
	250,000

2. HISTORY

Reference is made to the heading "Business of the Company" on page 4 of the attached Prospectus issued by the Company under date of December 27, 1968 (the "Prospectus") with respect to the history of the Company, a copy of which Prospectus is hereby incorporated in this application and made part thereof.

3. NATURE OF BUSINESS

Reference is made to the heading "Business of the Company" on page 4 of the Prospectus with respect to the nature of the business of the Company.

4. INCORPORATION

The Company was incorporated under the laws of the Province of Ontario by letters patent dated September 23, 1957. By supplementary letters patent dated October 28, 1968 the share capital of the Company was modified, and on January 22, 1969 all of its outstanding redeemable preference shares were redeemed, so that the present authorized capital of the Company is 5,000,000 common shares without par value.

5. SHARE ISSUES DURING PAST TEN YEARS

(a) Common shares without par value

Date of Issue	No. of Shares Issued (1)	Amount Realized Per Share	Total Amount Realized	Purpose of Issue
May 19, 1961	206,000	15¢	$ 30,900	200,000 shares to cancel indebtedness; 6,000 shares for services
Dec. 19, 1962	600,000	15¢	90,000	To raise capital
Apr. 11, 1963	20,000	40¢	8,000	To raise capital
Apr. 14, 1966	40,000	$ 2.50	100,000	To raise capital
Aug. 15, 1968	34,000 (2)	2.50	85,000	To key employee
Oct. 15, 1968	41,000 (2)	2.50	102,500	To key employees
Oct. 15, 1968	50,000	15.00	750,000	To terminate management contract
Jan. 22, 1969	75,000	13.88	1,041,000	Part of public financing

Notes:

(1) Effect has been given to the conversion of another class of shares into common shares and to a stock split, to show the common shares in all cases as the Company is presently constituted.

(2) These shares are shown in the Prospectus as being only partly paid. Since the date of the Prospectus the full balances due thereon have been paid, and all such shares are fully paid at the date hereof.

(b) 6% non-cumulative, redeemable, non-voting First Preference Shares with a par value of $100 each

Date of Issue	No. of Shares Issued	Amount Realized Per Share	Total Amount Realized	Purpose of Issue
May 19, 1961	1,314	$100	$ 131,400	To raise capital
Aug. 28, 1961	183	100	18,300	To raise capital
Sept. 8, 1961	2,000	100	200,000	To raise capital
Dec. 19, 1962	2,100	100	210,000	To raise capital
Apr. 11, 1963	70	100	7,000	To raise capital

Note: All of the foregoing First Preference Shares have been redeemed.

6. STOCK PROVISIONS AND VOTING POWERS

Each common share carries one vote at all meetings of shareholders.

7. DIVIDEND RECORD

The Company has not paid any dividend on its shares.

8. RECORD OF PROPERTIES

Reference is made to the headings "Business of the Company" on page 4 and "Appraisal" on page 6 of the Prospectus with respect to the properties of the Company and its subsidiaries. The consolidation concerning joint ventures mentioned as a proposal under that heading on page 6 of the Prospectus has been effected since the date of the Prospectus, with the result that joint venture assets included in the appraisal at a value of $12,385,000 have been converted into 50% of the issued shares of the amalgamated company, the name of which is Focal Properties Limited.

9. SUBSIDIARY COMPANIES

The consolidation concerning joint ventures mentioned in paragraph 8, whereby Brumac Developments Limited and Metropolitan Peel Development Company Limited, two previously wholly owned subsidiaries of the Company, were amalgamated with certain other companies, resulted in the interest of the Company therein being converted into 50% of the shares of the amalgamated company. The Company now has 10 subsidiaries, all incorporated under the laws of the Province of Ontario, nine of which are wholly owned, and the remaining one is 90% owned, the names, dates of incorporation and percentage ownership of the Company therein being as follows:

Name	Incorporation Date	Percentage of Ownership
Andril Limited	October 16, 1961	100
Beauporte Inn Limited	January 27, 1966	90
Hub Industrial Leaseholds Limited	May 23, 1963	100
Hub Leaseholds Limited	May 23, 1963	100
Hub Recreation Lands Limited	May 23, 1963	100
Hub Tower Suites Leaseholds Limited	May 23, 1963	100
Mississauga Tower Suites Leaseholds Limited	May 23, 1963	100
Peel Farmers' Market Limited	May 23, 1963	100
Peel Office Mall Leaseholds Limited	May 23, 1963	100
Ronwin Developments Limited	March 13, 1963	100

10. FUNDED DEBT

The Company's consolidated funded debt consists of

(a)

Description of Issue	Aggregate Amount Authorized	Principal Amount Outstanding	Maturity Date	Interest Dates
6%-11% mortgages payable by the Company and its wholly owned subsidiaries		$3,331,457.87	Various	Various
7% Convertible Subordinated Debentures (the "Debentures")	$3,000,000	$3,000,000	January 15, 1989	January 15 and July 15

(b)

The Debentures are redeemable at the option of Company for other than sinking fund purposes in whole at any time or in part from time to time on not less than 30 days' notice at prices equal to the following percentages of the principal amount thereof together, in each case, with accrued and unpaid interest to the date fixed for redemption:

If redeemed in the twelve-month period beginning January 15	Percentage	If redeemed in the twelve-month period beginning January 15	Percentage
1969*	107.00*	1979	103.00
1970	106.60	1980	102.60
1971	106.20	1981	102.20
1972	105.80	1982	101.80
1973	105.40	1983	101.50
1974	105.00	1984	101.20
1975	104.60	1985	100.90
1976	104.20	1986	100.60
1977	103.80	1987	100.30
1978	103.40	1988	100.00

* The Debentures are so redeemable at 107% of the principal amount thereof during the period commencing January 22, 1969 and ending January 14, 1970.

The Company has the right, at any time and from time to time, to purchase Debentures in the open market or by tender or private contract at prices not exceeding the foregoing redemption price thereof applicable at the time of purchase, plus costs of purchase.

(c) Security

The Debentures are unsecured.

11. OPTIONS, UNDERWRITINGS, ETC.

(a) The Company has granted to certain of its officers and employees options to purchase, expiring January 20, 1974, an aggregate of 60,000 common shares in the capital of the Company at $15 per share.

(b) There have been reserved, pursuant to the Incentive Stock Option Plan for key employees, 40,000 common shares in the capital of the Company with respect to which no options have yet been granted.

(c) There are no underwriting agreements outstanding.

(d) There are no issued shares of the Company held for the benefit of the Company.

(e) There are no issued shares of the Company held in escrow.

Other Reserved Shares

Each Debenture is convertible at the holder's option at any time up to the close of business on January 15, 1979 or the business day immediately preceding the date fixed for redemption of such Debenture, whichever

is earlier, into fully paid and non-assessable common shares without par value in the capital of the Company as presently constituted (without adjustment for interest accrued on such Debenture or dividends on common shares issuable upon conversion) on the basis of 50 common shares for each $1,000 principal amount of Debentures, being equivalent to a conversion price of $20 per common share. The conversion rate will be subject to adjustment in the event of subdivision, consolidation, reclassification or change of the common shares into a different number or kind of shares and provisions to protect the right of conversion in the event of any capital reorganization of the Company, or the consolidation, merger or amalgamation of the Company with or into another corporation or the sale of substantially all the assets of the Company.

12. LISTING ON OTHER STOCK EXCHANGES

There are no securities of the Company listed on any other Stock Exchange.

13. STATUS UNDER SECURITIES ACTS

The $3,000,000 7% Convertible Subordinated Debentures and 375,000 common shares without par value of the Company referred to in the Prospectus were qualified for sale to the public in all provinces of Canada with the exception of the Provinces of Newfoundland and Prince Edward Island.

14. FISCAL YEAR

The fiscal year of the Company ends on December 31 in each year.

15. ANNUAL MEETINGS

The by-laws of the Company provide that the annual meeting of shareholders will be held at such place in Ontario at such time and on such day in each year as the board of directors or the President of the Company may determine. The last annual meeting of the Company was held on April 17, 1968.

16. HEAD OFFICE AND OTHER OFFICES

The head office is located at 50 Lakeshore Road East, Port Credit, Ontario. The Company has no other offices.

17. TRANSFER AGENT

The Transfer Agent of the Company is:

Canada Permanent Trust Company at its principal offices in the cities of Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

18. TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer tax.

19. REGISTRAR

The Registrar of the Company is:

Canada Permanent Trust Company at its principal offices in the cities of Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

20. AUDITORS

The auditors of the Company are Messrs. Harbinson, Glover & Co., Chartered Accountants, 101 Richmond Street West, Toronto 1, Ontario.

21. OFFICERS

The officers of the Company are:

Name	Office	Home Address
Stuart Bruce McLaughlin	President	1574 Lochlin Trail, Mississauga, Ontario
Ronald Eugene Winter	Vice-President	96 Betty Ann Drive, Willowdale, Ontario
Frederick Halburd Falkiner	Vice-President	1487 Larchview Trail, Port Credit, Ontario
Donald Reid Fraser	Secretary	2305 Mississauga Road, Port Credit, Ontario
Edward Alexander Kirk	Treasurer	1601 Watersedge Road, Mississauga, Ontario

No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

S. B. McLaughlin Associates Limited

(Incorporated under the laws of the Province of Ontario)

$3,000,000 7% Convertible Subordinated Debentures

(Unsecured)

To be dated January 22, 1969 **To mature January 15, 1989**

and

375,000 common shares without par value

Offered in Units of $1,000 7% Convertible Subordinated Debentures and 125 common shares without par value

Of the 375,000 common shares offered by this prospectus, 75,000 shares are unissued shares being acquired from the Company and 300,000 shares are outstanding shares being acquired from the Selling Shareholders referred to on page 10. The net proceeds from the sale of the 300,000 shares being acquired from the Selling Shareholders will be received by the latter.

There is at present no market for these shares. Application has been made to list the shares on The Toronto Stock Exchange. Acceptance of the listing will be subject to the filing of the required documents and evidence of satisfactory distribution, both within a period of 90 days.

These are speculative securities. Reference is made to page 9 under the heading "Interest Requirements".

	Price to Public	Underwriting Discount	Proceeds to Company (1)	Proceeds to Selling Shareholders (2)
Per Unit	$ 2,875	$ 190	$ 1,297	$ 1,388
Total	$8,625,000	$570,000	$3,891,000	$4,164,000

(1) Before deducting expenses payable by the Company estimated not to exceed $30,000.
(2) Before deducting expenses payable by the Selling Shareholders estimated not to exceed $20,000.

Trustee, Transfer Agent and Registrar

Canada Permanent Trust Company

We, as principals, offer these Units, subject to prior sale, if, as and when issued and delivered and accepted by us. Subscriptions will be received subject to rejection or allotment in whole or part and the right is reserved to close the subscription books at any time without notice. It is expected that the Debentures and certificates for common shares in definitive form will be available for delivery on or about January 22, 1969.

December 27, 1968

Table of Contents

The Company	3	Transfer Agent and Registrar	10
Purpose of Issue	3	Pending Legal Proceedings	10
Consolidated Capitalization	3	Shareholders and Management	10
Business of the Company	4	Stock Option Plan	12
Appraisal	6	Management Interests	12
Underwriting	7	Material Contracts	13
Description of the Debentures	7	Auditors	13
Interest Requirements	9	Opinions of Counsel	14
Asset Coverage	9	Financial Statements	15
Description of Shares	9	Certificates	19

Purchasers' Statutory Rights of Withdrawal and Rescission

Sections 63 and 64 of The Securities Act, 1966 (Ontario), sections 70 and 71 of The Securities Act, 1967 (Saskatchewan) and sections 63 and 64 of The Securities Act, 1967 (Alberta) provide, in effect, that where a security is offered to the public in the course of primary distribution:

(a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor not later than midnight on the second business day after the prospectus offering such security is received or is deemed to be received by him or his agent; and

(b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide in effect that, where a security is offered to the public in the course of primary distribution, a purchaser has the same right of rescission described in (b) above and also that a purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

Reference is made to the said Acts for the complete texts of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

The Company

S. B. McLaughlin Associates Limited (the "Company") was incorporated under the laws of the Province of Ontario by Letters Patent dated September 23, 1957. By Supplementary Letters Patent dated October 28, 1968 the Company was converted into a public company and its share capital was modified as stated in note (3) under the heading "Consolidated Capitalization". The Company's head office and principal place of business is located at 50 Lakeshore Road East, Port Credit, Ontario.

The Company has 12 Subsidiaries, 11 of which are wholly-owned and the remaining one is 90% owned. The names of these Subsidiaries, all of which were formed at the instance of the Company, and the respective dates of their incorporation are set out in note 2 to the consolidated financial statements on page 17. In describing the business of the Company, the word "Company" is used to include the Subsidiaries.

Purpose of Issue

The estimated net proceeds derived by the Company from the sale of the securities offered by this prospectus amounting to $3,861,000 will be used to repay the Company's bank indebtedness which it estimates will be approximately $2,000,000 on January 22, 1969, to pay the redemption price of $623,370 for the currently outstanding First Preference Shares of the Company, to pay a portion, amounting to $250,000, of a $500,000 instalment of the purchase price of land being acquired as described in note 11 to the consolidated financial statements on page 18, by a joint venture to which a Subsidiary of the Company is a party. The balance of approximately $987,630 has not been allocated for any particular purposes and will be added to the working capital of the Company and, as such, may be used to finance, in whole or in part, the cost of new acquisitions of land, including those referred to under the heading "Other Properties" on page 6, land development costs, the payment of indebtedness under mortgages payable and for other corporate purposes.

Consolidated Capitalization

	Authorized or to be Authorized	Outstanding June 30, 1968	Outstanding October 15, 1968	Outstanding after giving effect to this financing
Debt:				
Secured Bank Loans (1)		$ 665,000	$ 990,000	—
Mortgages Payable by the Company (2)		$1,250,175	$1,218,926	$1,295,426
Mortgages Payable by Subsidiaries (2)		$5,826,512	$5,819,377	$5,819,377
7% Convertible Subordinated Debentures due January 15, 1989	$3,000,000	—	—	$3,000,000
Minority Interest in Common Shares of Subsidiary		$ 10	$ 10	$ 10
Share Capital (3):				
6% non-cumulative, redeemable, non-voting First Preference Shares with a par value of $100 each (4)	8,000 shs. ($800,000)	5,667 shs. ($566,700)	5,667 shs. ($566,700)	—
Common shares without par value (5)	5,000,000 shs.	1,869,000 shs. ($229,903)	1,994,000 shs. ($1,167,403)	2,069,000 shs. ($2,292,403)

(1) The bank loans are secured by assignments of book debts of the Company and its Subsidiaries.

(2) Particulars of the mortgages payable are set forth in note 7 to the consolidated financial statements of the Company forming part of this prospectus. Additional mortgages may be created or assumed from time to time in connection with acquisitions of land in the ordinary course of business.

(3) The above table gives effect to the issue of supplementary letters patent dated October 28, 1968 (i) cancelling 2,333 unissued First Preference Shares and 560 unissued Second Preference Shares; (ii) converting the 640 issued Second Preference Shares into 640 common shares; (iii) sub-dividing on the basis of 1,000 for 1 the 1,994 issued common shares; and (iv) sub-dividing the 43,646 unissued common shares into 3,006,000 unissued common shares.

(4) The First Preference Shares are to be redeemed as stated under the heading "Purpose of Issue".

(5) 150,000 common shares will be reserved for issuance upon conversion of the 7% Convertible Subordinated Debentures offered hereby and 100,000 have been reserved under an Incentive Stock Option Plan for key employees. Options for 60,000 common shares are intended to be granted under this Plan on or before January 22, 1969.

(6) As stated under the headings "Town of Mississauga" and "Town of Georgetown" the Company is engaged in certain joint ventures. The Company is contingently liable on account of the liabilities of its co-owners in such joint ventures, but against such contingent liabilities the Company would have a claim upon the joint venture assets of its co-owners.

Business of the Company

The Company and its subsidiaries are engaged primarily in the acquisition, development and sale of land. The land acquisition policy of the Company and of the joint ventures in which it participates is based on the premise that an area can be developed more rationally and profitably if a single developer becomes the major holder of land in such area and is thereby enabled to direct its entire development. The Company does not participate directly in construction but may do so indirectly through investment in construction operations. In addition, the Company has an interest in some minor income producing properties and proposes in future years to develop and retain other properties as an investment; however, this part of the Company's operations is intended to remain subordinate to its primary activities in land development.

In its initial stage, the Company acquired and serviced undeveloped lands for smaller subdivisions and made some sales of serviced building lots. The Company also recognized early in its operations the possibilities presented by assembly of larger tracts of land for community-size developments and its acquisition policy has emphasized this goal. At this time the Company is midway in the development of a large community in the Town of Georgetown and is at an early stage of its largest development to date, which is in the Town of Mississauga.

The development operations of the Company and the above joint ventures involve assembling undeveloped land, making any necessary engineering or similar studies, preparing plans for the subdivision of the land into lots and sites for residential, apartment, commercial or industrial use, securing the approval of such plans by all public authorities concerned, and arranging for the building of roads and the installation of public services such as water mains, sewers and electric power. Land covered by any proposed plan of subdivision is generally offered for sale as soon as it appears to the developer that the required official approvals will be received. Such sales are in most instances made in blocks of building lots or in sites for sizeable numbers of apartment suites, under terms whereby 60% of the price is payable in instalments over a period of up to three years ending with the transfer of title at which time the balance of the price becomes due.

For accounting purposes, the proceeds of sale of any land are taken into income only at the time of transfer of title to the buyer and fulfilment of all conditions of the sale agreement. These agreements provide that moneys received on account of the purchase price, and which are subject to repayment in the event of non-fulfilment of the conditions of sale, may be utilized by the Company for its own purposes. Such moneys are used to meet the carrying costs of properties, to acquire additional lands, to finance development operations and for other corporate purposes.

The properties which the Company owns or in which it has an interest are located principally in the central part of the Province of Ontario and are described or referred to below.

Town of Mississauga

The Company has in the Town of Mississauga, adjacent to the western limits of Metropolitan Toronto, an interest in a large acreage of land which it commenced to assemble in 1956 and which as at June 30, 1968 consisted of parcels aggregating 1,134 acres situate south of the Base Line (the "southern part") and of parcels aggregating 1,194 acres situate north of the Base Line (the "northern part"). As at that date the Company's net interest in the southern part was 965 acres, representing an average undivided interest of 71.85% of the total, and its net interest in the northern part was 597 acres, representing an undivided interest of 50% of the total.

A portion of the lands in the southern part is being developed by two joint ventures holding 190 acres and 110 acres respectively, in which the Company has an interest of 50% and 32.5% respectively and under which all capital requirements will be provided and all profits and losses will be shared by the parties in the proportion of their respective interests. The remaining 50% interest in the first joint venture is

held by Henry Bernick, trustee, 15 Arjay Crescent, Toronto, on behalf of Bernest Limited, Kenbel Investments Limited and Neawin Limited, all of Suite 1507, 55 York Street, Toronto 1, Ontario, in equal shares. The remaining 67.5% interest in the second joint venture is held as to 32.5% by Henry Bernick, trustee, on behalf of the three corporations above mentioned in equal shares, and as to 35% by Ruland Realty Limited, 1801 Eglinton Avenue West, Toronto. These joint ventures are subject to being wound up, their properties sold and their net assets divided between the parties in the event of the death or total disability of the President of the corporation which manages the joint ventures. The remaining 834 acres in the southern part are 100% owned by the Company.

The Planning Board of the Town of Mississauga sponsored a land use study known as the North Cooksville Community Study which contemplates the comprehensive development of a portion of the Town of Mississauga, which portion includes all of the southern part, for all types of residential use from single family dwellings to high density apartments, parks, schools and a regional shopping centre. The adoption of this proposed land use study is subject to approval or modification by the Council of the Town of Mississauga, the Department of Municipal Affairs of Ontario and the Ontario Municipal Board. The Company has entered into an agreement with the Corporation of the Town of Mississauga for the development of the lands in the southern part in which it has an interest. Under this agreement, the Company may develop 400 acres of land zoned for residential purposes for each 120 acres of land developed for industrial and commercial use and has undertaken to compensate the municipality for the educational tax deficit arising from the use of land for residential purposes, and to construct at the expense of the Company certain recreational and social amenities. The Company expects such development to commence in mid-1969 and to continue for at least 10 years.

At present the southern part has water mains contiguous to it. A future capital expenditure of $600,000 will be required for widening of roads and installation of trunk sewers as part of the initial development costs. The Company has deposited a letter of credit with the Town of Mississauga for this amount.

The northern part is presently zoned for agricultural use and is being held for future development.

Town of Georgetown

In 1965 the Company entered into a joint venture in which the Company has a 50% interest and under which all capital requirements will be provided and all profits and losses will be shared equally by the parties, for the purpose of acquiring certain properties in the Town of Georgetown. The remaining 50% interest in the joint venture is held by Henry Bernick, trustee, on behalf of the three corporations mentioned under the heading "Town of Mississauga", upon the same terms. Early in 1966 the joint venture acquired these properties which consisted of a fully leased 15 store shopping centre, a newly completed leased industrial building, 96 acres of serviced industrial land, 50 acres of zoned commercial land, 1262 registered residential lots and 628 acres of farm lands to be developed under an existing agreement with the Town. The joint venture later purchased approximately 305 acres of additional farmlands in the Township of Esquesing adjacent to its existing holdings. The development of these 305 acres is likely only in the event of annexation by the Town of Georgetown.

Subsequently, the industrial building, the 96 acres of serviced industrial land, two of the 50 acres of zoned commercial land and the 1,206 registered residential lots were sold. In March, 1968 the joint venture agreed to sell to George Wimpey Canada Limited, 80 North Queen Street, Toronto, Ontario, a 50% interest in approximately 300 of the 628 acres of farmlands mentioned above for an aggregate price of $2,633,250 subject to certain adjustments. Approximately 80% of this amount is payable commencing on the date of registration of the last of the three plans of subdivision dividing the property into 1419 single family dwelling lots and 22.22 acres of multiple family dwellings, and extending over the period of the sale of the property. The purchaser has not assumed any liability in respect of the existing mortgages on the property or the cost of securing acceptance and registration of the plans of subdivision but has agreed to purchase 500 of the proposed single family dwelling lots. The Company expects that this development will commence in 1969 and will continue for a period of five years.

The joint venture retains the shopping centre, 48 acres of commercial land, 56 unserviced residential building lots and the additional 305 acres of farmlands. The joint venture is subject to termination upon the death or total disability of Mr. S. B. McLaughlin, the President of the Company, in which event the properties of the joint venture will be disposed of and the net assets divided between the parties.

City of Woodstock

The Company has recently purchased all of the holdings beneficially owned by Mr. S. B. McLaughlin in the City of Woodstock. These holdings consist of a 200 lot subdivision currently under development, an option on 50 acres of adjoining lands in the Township of Blandford and an option on adjacent lands in the City of Woodstock. Of the 200 lots mentioned above, 61 are being serviced and are under sales agreement, and 139 remain to be serviced. It is anticipated that the Company will exercise these options and that development of these properties will take approximately seven years. Reference is made to "Management Interest" for the terms of this purchase.

Borough of Etobicoke

Under a lease expiring in 2065, the Company holds approximately 7.5 acres of lakeshore land in the Borough of Etobicoke, presently zoned for single family dwellings. The Company has an option to purchase this property for $600,000 at any time during the term of the lease. Annual lease payments are $40,000 and income from the property is currently $20,000 per annum. The Company has applied for rezoning to use the property for an apartment-hotel. There is no assurance that such application will be granted.

Other Properties

Between June 30 and December 11, 1968 the Company and the joint ventures mentioned above have in the ordinary course of their operations entered into agreements and acquired options to purchase additional lands in the Town of Mississauga and elsewhere in the Province of Ontario.

The aggregate amount which has been paid and the balance payable under all such agreements and such options, if exercised, (which sums include only the Company's share in the case of joint venture transactions) are $365,000 and $6,291,059 respectively.

Consolidation concerning joint ventures

The directors of the Company have approved in principle a prosposal made by its partner in the joint ventures in Mississauga and Georgetown in which the Company has a 50% interest, to amalgamate the various companies which hold their respective interests in such ventures. Upon such amalgamation, joint venture assets included in the balance sheet on page 15 at a value of $5,777,316 less related liabilities of $5,217,929 and included in the appraisal mentioned below at a value of $12,385,000 will be converted into 50% of the issued shares of the amalgamated company. The purpose of this amalgamation is to provide a better and more appropriate means of developing the properties held by such ventures and to enable the eventual financing of such development by the amalgamated company, independently of the joint venture partners, through the issue of debt securities and/or shares. The joint venture partners intend to enter into a voting trust agreement for a period of not less than five years providing among other things for equal representation on the board of directors of the amalgamated company and for restrictions on the issue of further shares without the consent of both parties. As a consequence of such transaction, the Company will be entitled to profits from the joint venture properties only through such distributions, if any, as may be made or through the sale of its shares; in addition, its initial 50% share interest may be subject to dilution in the event of the issue of further shares.

Appraisal

The Company's properties as they existed on June 30, 1968 were appraised by Stewart, Young & Mason, Real Estate Appraisers and Consultants, under date of October 18, 1968. By this appraisal, the Company's interest in lands having a book value of $10,143,716 was ascribed a current market value of $34,852,000. A copy of such appraisal may be inspected at the head office of the Company during ordinary business hours in the period of primary distribution of the securities hereby offered, and for 30 days thereafter.

The appraisal surplus of $24,708,284 is not reflected in the Company's consolidated financial statements forming part of this prospectus. If the surplus were so reflected and before allowing for income taxes which might be payable on profits from future sales of property, the common shares of the Company to be outstanding after completion of this financing would have a net tangible book value of approximately $12.50 per share.

Underwriting

Under an agreement dated December 16, 1968 with A. E. Ames & Co. Limited (the "underwriter"), the Company agreed to sell and the underwriter agreed to purchase $3,000,000 principal amount of 7% Convertible Subordinated Debentures and 75,000 common shares without par value of the Company for an aggregate price of $3,891,000. Under two further agreements dated December 16, 1968 with the underwriter, the respective Selling Shareholders referred to on page 10 have agreed to sell and the underwriter has agreed to purchase a total of 300,000 outstanding common shares of the Company for an aggregate price of $4,164,000. In each case, the purchase price is payable in cash against delivery of the Debentures and certificates for the common shares on or about January 22, 1969. The obligations of the underwriter are subject to the fulfillment of legal requirements and certain other terms and conditions stated in such agreements, but in no event may it purchase part only of the Debentures or common shares.

Description of the Debentures

The 7% Convertible Subordinated Debentures (herein called the "Debentures") will be issued under a trust indenture (herein called the "Trust Indenture") to be dated as of January 22, 1969 and to be entered into between the Company and Canada Permanent Trust Company, as trustee. The following is a brief summary of the material attributes and characteristics of the Debentures, which does not purport to be complete and is qualified in its entirety by reference to the Trust Indenture.

General

The aggregate principal amount of Debentures that may be issued under the Trust Indenture is limited to $3,000,000. The Debentures will be dated January 22, 1969; will mature on January 15, 1989; and will bear interest at the rate of 7% per annum payable half-yearly on January 15 and July 15 in each year. The Debentures will be available in fully registered form in denominations of $1,000 and authorized multiples thereof and in coupon form registrable as to principal only in the denomination of $1,000.

The Debentures will be direct obligations of the Company but will not be secured by any mortgage, pledge or other charge.

Redemption and Purchase

The Debentures will be redeemable at the option of the Company for other than sinking fund purposes in whole at any time or in part from time to time on not less than 30 days' notice at prices equal to the following percentages of the principal amount thereof together, in each case, with accrued and unpaid interest to the date fixed for redemption:

If redeemed in the twelve-month period beginning January 15	Percentage	If redeemed in the twelve-month period beginning January 15	Percentage
1969*	107.00*	1979	103.00
1970	106.60	1980	102.60
1971	106.20	1981	102.20
1972	105.80	1982	101.80
1973	105.40	1983	101.50
1974	105.00	1984	101.20
1975	104.60	1985	100.90
1976	104.20	1986	100.60
1977	103.80	1987	100.30
1978	103.40	1988	100.00

*The Debentures will be so redeemable at 107% of the principal amount thereof during the period commencing January 22, 1969 and ending January 14, 1970.

The Company will have the right, at any time and from time to time, to purchase Debentures in the open market or by tender or private contract at prices not exceeding the foregoing redemption price thereof applicable at the time of purchase, plus costs of purchase.

Sinking Fund

The Company will covenant in the Trust Indenture to pay to the Trustee, as and by way of a sinking fund for the Debentures, an amount sufficient to retire on January 15 in each of the years 1980 to 1988

inclusive, $300,000 principal amount of Debentures. The Debentures will be redeemable out of sinking fund moneys at the principal amount thereof plus accrued and unpaid interest to the date fixed for redemption. Debentures redeemed (for other than sinking fund purposes) or purchased by the Company and converted Debentures will establish a sinking fund credit equal to the principal amount thereof which may be applied to the satisfaction in whole or in part of future sinking fund obligations.

Conversion Privilege

Each Debenture will be convertible at the holder's option at any time up to the close of business on January 15, 1979 or the business day immediately preceding the date fixed for redemption of such Debenture, whichever is earlier, into fully paid and non-assessable common shares without par value in the capital of the Company as presently constituted (without adjustment for interest accrued on such Debenture or dividends on common shares issuable upon conversion) on the basis of 50 common shares for each $1,000 principal amount of Debentures, being equivalent to a conversion price of $20 per common share.

The Trust Indenture will contain provisions to the effect that the conversion rate will be subject to adjustment in the event of subdivision, consolidation, reclassification or change of the common shares into a different number or kind of shares and provisions to protect the right of conversion in the event of any capital reorganization of the Company, or the consolidation, merger or amalgamation of the Company with or into another corporation or the sale of substantially all the assets of the Company. The Company will covenant in the Trust Indenture that it will at all times reserve a sufficient number of its unissued shares to satisfy the exercise of the right of conversion attaching to the Debentures.

Subordination

The payment of the principal of and interest and premium, if any, on the Debentures will be subordinated in right of payment to the prior payment in full of all Senior Indebtedness, whether outstanding on the date of the Indenture or thereafter incurred.

Senior Indebtedness will comprise the principal of and interest and premium, if any, on (a) indebtedness (other than indebtedness evidenced by the Debentures) for money borrowed by the Company or for money borrowed by others for the payment of which the Company is responsible or liable, (b) indebtedness created, incurred, assumed or guaranteed by the Company in connection with the acquisition by it or by others of any businesses, properties or other assets, and (c) renewals, extensions and refundings of any such indebtedness, unless in any of the cases specified in (a), (b) or (c) above it is provided by the terms of the instrument creating or evidencing such indebtedness that such indebtedness or such incurring, assumption or guarantee thereof it ranks pari passu with or is subordinate in right of payment to the Debentures.

Upon any distribution of the assets of the Company on or in connection with any partial or total liquidation or any reorganization or insolvency of the Company, the holders of all Senior Indebtedness will be entitled to receive payment in full before the holders of the Debentures are entitled to receive any payment. Notwithstanding the subordination provisions, (a) the Company may at any time, except during the pendency of any such liquidation, reorganization or insolvency and except when any Senior Indebtedness is in default (subject, however, to the right to complete purchases or redemption of Debentures initiated before such default), make payments of principal and interest and premium, if any, on the Debentures and (b) the Trustee may apply any moneys deposited with it to the payment of the principal of and interest and premium, if any, on the Debentures.

Dividend Restriction

The Company will covenant in the Trust Indenture not to make any payment or distribution to its shareholders or any of them by way of dividend in cash or in specie or by way of purchase, redemption or reduction of capital or by payment of tax on undistributed surplus under Section 105 of the Income Tax Act (Canada) or any section or provision amending the said Section 105 or substituted therefor, so long as any Debentures remain outstanding; provided that the prohibition of this covenant will not apply to (i) the declaration, payment or distribution of stock dividends, or (ii) any payment or distribution by way of purchase, redemption or reduction of capital if made out of the proceeds of an issue of shares by the Company made concurrently with or prior to such purchase, redemption or reduction.

Modification

The rights of the Debentureholders under the Trust Indenture may be modified. For that purpose, among others, the Trust Indenture will contain provisions for the holding of meetings of Debentureholders and for rendering resolutions passed at such meetings, and instruments in writing signed, by the holders of 66⅔% or more of the principal amount of the Debentures binding upon all Debentureholders, subject to the provisions of the Trust Indenture.

Interest Requirements

The maximum annual interest requirements on all long term debt shown on the pro forma balance sheet on page 15, will be approximately $660,000 of which $210,000 represents the maximum annual interest requirements on the Debentures. The consolidated earnings (deficit) of the Company before interest and income taxes for the three years and six months ended June 30, 1968 were: 1965—$182,986, 1966—$325,050, 1967—$300,469, 1968 to June 30—($33,852). In addition, the Company may apply to the payment of interest on its long term debt moneys received on account of the sale price of land as referred to on page 4 under the heading "Business of the Company". Management considers that moneys to be received and to be available during the next five years under existing contracts for the sale of land will be sufficient to service the Company's consolidated long term debt during such period.

Asset Coverage

The consolidated net tangible assets of the Company as at June 30, 1968, as shown in the accompanying pro forma consolidated balance sheet, before deduction of mortgages payable and the Debentures offered hereby and after giving effect to the present financing and including the appraisal surplus of $24,708,284 as shown under the heading "Appraisal", are $36,011,489. Such net tangible assets and appraisal surplus are equal to approximately $3,547 for each $1,000 principal amount of mortgages payable and of Debentures offered hereby.

Description of Shares

The authorized share capital of the Company consists of 5,667 6% non-cumulative, redeemable, non-voting First Preference Shares with a par value of $100 each ("First Preference Shares") and 5,000,000 common shares without par value ("common shares"). At the date hereof 5,667 First Preference Shares and 1,994,000 common shares are outstanding.

First Preference Shares

The First Preference Shares carry a non-cumulative cash dividend at the rate of 6% per annum, are non-voting and are redeemable at the option of the Company upon payment of the par value thereof together with a premium of 10%. All of the outstanding First Preference Shares are beneficially owned by S. B. McLaughlin, the President of the Company, and will be redeemed for $623,370 out of the proceeds of the securities offered hereby.

Common Shares

The holders of common shares are, subject to the prior rights of the First Preference Shares, entitled to receive pro rata such dividends as may from time to time be declared by the board of directors; are entitled to one vote per share, and are entitled upon liquidation to receive, subject to the prior rights of the First Preference Shares, such assets of the Company as are distributable to the shareholders. Except for the 75,000 common shares referred to under the heading "Prior Sales", all the outstanding common shares are fully paid and non-assessable, and the common shares hereby offered and to be issued upon conversion of the Debentures will be fully paid and non-assessable.

Dividend Policy and Restrictions

The Company has paid no dividends on any of its shares and presently expects to retain any earnings to finance the development and expansion of its business. The payment of dividends on the common shares of the Company is restricted by the provisions of the Trust Indenture for the Debentures as described under the heading "Dividend Restriction". Subject to the foregoing restrictions and policy, the payment of dividends will ultimately be determined by the board of directors of the Company on the basis of earnings, financial requirements and other relevant factors.

Prior Sales

125,000 common shares of the Company (as presently constituted) have been sold during the 12 months prior to the date hereof. 75,000 of such shares were issued to six officers and employees of the Company, 34,000 on August 15, 1968 and 41,000 on October 15, 1968, all at the price of $2.50 per share, for an aggregate consideration of $187,500 of which $18,750 has been paid and the balance of $168,750 is payable no later than October 15, 1970. The remaining 50,000 of such shares were issued on October 15, 1968 at the price of $15 per share in consideration of the termination of the mangement agreement as referred to under the heading "Material Contracts".

Transfer Agent and Registrar

The transfer agent and registrar for the common shares without par value in the capital of the Company is Canada Permanent Trust Company at its principal transfer offices in the cities of Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

Registers for the registration and transfer of the Debentures will be kept at the principal transfer offices of Canada Permanent Trust Company in the cities of Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

Pending Legal Proceedings

On May 4, 1965 the Mississauga School Board expropriated for secondary school purposes and for a compensation of $48,250 a parcel of 8.044 acres of the Company's lands which the Company values at $160,880. The Company proposes to dispute before the Ontario Municipal Board the amount of such compensation.

Shareholders and Management

Principal Shareholders

The following are the only persons or corporations who own of record or, to the knowledge of the Company, beneficially, directly or indirectly, 10% or more of the common shares of the Company as at October 28, 1968:

Name and Address	Designation of Class	Type of Ownership	Number of Shares Owned	Percentage of Class	Percentage of class to be owned after this financing
S. B. McLaughlin, 1574 Lochlin Trail, Mississauga, Ontario.	Common	Beneficial	966,000	48.4	43.1
Simpsons, Limited, 176 Yonge Street, Toronto, Ontario.	Common	Beneficial	510,000	25.6	13.8

The percentage of common shares of the Company beneficially owned, directly or indirectly, by all directors and senior officers of the Company, as a group, is 54.3% as at October 28, 1968 and will be 51.1% after giving effect to this financing.

Selling Shareholders

The names of the Selling Shareholders and the number of common shares of the Company owned, and the number of such shares to be sold by them, are as follows:

Name and Address	Number of Shares owned October 28, 1968	Number of Shares offered hereunder	Number of Shares owned after this financing
S. B. McLaughlin, 1574 Lochlin Trail, Mississauga, Ontario.	966,000	75,000	891,000
Simpsons, Limited, 176 Yonge Street, Toronto, Ontario.	510,000	225,000	285,000

Directors and Officers

The names, home addresses, all positions and offices held with the Company and the principal occupations, save as hereunder mentioned, within the five preceding years of the directors and officers of the Company are as follows:

Name and Address	Office	Principal Occupation
David Allen Bullock 20 Rochester Avenue, Toronto, Ontario.	Director	Investment Dealer, A. E. Ames & Co. Limited
Frederick Halburd Falkiner 1487 Larchview Trail, Port Credit, Ontario.	Director and Vice-President	Secretary-Treasurer and Assistant General Manager, Gilbarco Canada Ltd.
Donald Reid Fraser 2305 Mississauga Road, Port Credit, Ontario.	Director and Secretary	Partner, Fraser & McLaughlin, Solicitors
George Leslie Jennison 243 Warren Road, Toronto, Ontario.	Director	Financial Consultant
Edward Alexander Kirk 1601 Watersedge Road, Mississauga, Ontario.	Director and Treasurer	Treasurer of the Company
Stuart Bruce McLaughlin 1574 Lochlin Trail, Mississauga, Ontario.	President and Director	President of the Company
Marshal Stearns, M.B.E. 91 Glen Edyth Drive, Toronto, Ontario.	Director	President, T. A. Richardson & Co. Limited
James Marshall Tory, Q.C. 11 Dinnick Crescent, Toronto, Ontario.	Director	Partner, Tory, Tory, DesLauriers & Binnington, Solicitors
Ronald Eugene Winter 96 Betty Ann Drive, Willowdale, Ontario.	Director and Vice-President	President, R. E. Winter & Associates Ltd., Consulting Engineers

The only directors and officers who have not held their present business affiliations, or employment in other capacities with the same employer, for the past five years are as follows:

Mr. Bullock was until June, 1966 associated with Dominion Securities Corporation Limited.

Mr. Jennison was until April 1, 1968 an Investment Dealer, and Chairman of the Board, Wills, Bickle & Co. Limited.

Mr. Kirk was until March 1966 engaged in the practice of public accounting with the firm of Touche, Ross, Bailey & Smart and from that time until June 1968 was Comptroller of S. B. McLaughlin & Company Limited, the former manager of the Company.

Mr. McLaughlin has during the past five years been President of S. B. McLaughlin & Company Limited, the former manager of the Company. He has entered into a contract to serve the Company as its chief executive officer for a period of five years commencing on July 1, 1968.

Remuneration

Since incorporation the Company has paid no remuneration to its directors as such, nor until July 1, 1968 has it remunerated any of its senior officers directly. During the fiscal year ended December 31, 1967 the Company paid management and consulting fees of $65,311 to S. B. McLaughlin & Company Limited. The latter remunerated its officers who were also senior officers of the Company in the amount of $15,845. The Company paid management and consulting fees of $20,177 to S. B. McLaughlin & Company Limited in the six months ended June 30, 1968 as at which date the arrangement with S. B. McLaughlin & Company Limited was terminated and no fees were paid thereafter save for the terminal payment of $750,000 satisfied by the issue of 50,000 common shares of the Company at $15 per share referred to under the heading "Material Contracts"; during this six month period S. B. McLaughlin & Company Limited remunerated its officers who were also senior officers of the Company in the amount of $9,875. For the six months ending December 31, 1968 it is anticipated that the Company will remunerate its senior officers in the amount of $65,000.

Stock Option Plan

The Company has established an Incentive Stock Option Plan for key employees of the Company pursuant to which 100,000 common shares have been reserved for allotment. The Plan provides that if the common shares are listed on a stock exchange, the option price in any option granted thereafter shall not be less than 90% of the last price at which common shares were traded on such exchange on the last business day prior to the date on which such option is granted, or if common shares were not traded on such day, then not less than 90% of the mean between the bid and ask quotations for the common shares at the close of business on such day. The Plan further provides that the term of an option may not exceed five years.

It is proposed that at or before the time of the delivery of the common shares offered by this prospectus, options will be granted to senior officers of the Company covering an aggregate of 60,000 common shares at an option price of $15 per share which is equal to the price at which common shares are offered to the public by this prospectus. Such options will be for a term of five years.

Management Interests

The only directors and senior officers having any material interest, directly or indirectly, in any transaction with the Company during the past three years are as follows:

Mr. Bullock, a director of the Company, is a shareholder of A. E. Ames & Co. Limited, and as such has an interest in the agreements with A. E. Ames & Co. Limited referred to under the heading "Underwriting".

Mr. Fraser, a director and senior officer of the Company, is a partner of the firm of Fraser & McLaughlin, 66 Dundas Street West, Cooksville, who act as solicitors for the Company, and is a director and senior officer of S. B. McLaughlin & Company Limited and as such had an interest in the arrangement with S. B. McLaughlin & Company Limited referred to under the heading "Material Contracts".

Mr. Kirk, a director and senior officer of the Company, is a senior officer of S. B. McLaughlin & Company Limited, and as such had an interest in the arrangement with S. B. McLaughlin & Company Limited referred to under the heading "Material Contracts".

Mr. McLaughlin, a director and senior officer of the Company is a director and senior officer and the beneficial owner of all the outstanding shares of S. B. McLaughlin & Company Limited, and as such had an interest in the arrangement with S. B. McLaughlin & Company Limited (the "Manager") referred to under the heading "Material Contracts". The following amounts have been paid by the Company to the Manager during, or represent the interest free loan balances owing by the Manager to the Company for, the fiscal years shown:

Year ended December 31	Aggregate fees received	Loan balance outstanding
1964	$ 30,000	$142,572
1965	50,000	214,878
1966	114,515	395,850
1967	65,311	542,574
1968 to June 30	20,177	615,320

The fees up to December 31, 1965 have been capitalized in accordance with the change in accounting policy described in note 10 to the consolidated financial statements of the Company forming part of this prospectus. All fees in 1968, and part of the fees in 1967, have been charged to joint venture losses as shown on the statements of consolidated earnings appearing on page 16 of this prospectus.

Mr. McLaughlin is also a partner of the firm of Fraser & McLaughlin, 66 Dundas Street West, Cooksville, who act as solicitors for the Company. He was the indirect beneficial owner of certain assets sold to the Company in October 1968 and referred to under the heading "City of Woodstock". The price paid by the Company, by way of set-off of indebtedness and assumption of a mortgage payable to a third party, was $500,000. These assets were acquired by Mr. McLaughlin on April 5, 1967 for $150,000 and between acquisition and sale to the Company as aforesaid he subdivided the land under a registered plan and expended $180,000 in improvements. The appraisal by Stewart, Young & Mason referred to under the heading "Appraisal" ascribed a current market value of $677,000 to these assets. Save as set forth in the preceeding paragraphs and under the heading "Material Contracts" neither Mr. McLaughlin nor S. B. McLaughlin & Company Limited have directly or indirectly since the date of incorporation of the Company been a party to any transaction, including in particular any transaction for the purchase or sale of assets, with the Company or any of its subsidiaries.

Mr. Winter, a director and senior officer of the Company, is President of R. E. Winter & Associates Ltd., 881A Jane Street, Toronto, the consulting engineer for the Company.

Material Contracts

During the past two years, the Company or its Subsidiaries have entered into the following contracts in addition to contracts in the ordinary course of business:

(1) Agreement dated October 15, 1968 between the Company and S. B. McLaughlin & Company Limited (the "Manager"), terminating as of June 30, 1968, a management agreement between the Manager and the Company, which had been in effect since 1964 and was to continue until 1974, whereby the Manager provided office facilities and supplies and managerial and administrative personnel to carry out the operations of the Company for an annual remuneration equal to the greater of $50,000 or 5% of the gross fair market value of all properties or other assets of the Company or its wholly owned subsidiaries sold, expropriated or leased in bona fide arm's length transactions. The consideration for the termination of this management agreement was the issue to the Manager of 50,000 fully paid common shares of the Company (as presently constituted) at a value of $15 per share.

(2) the agreements referred to under the heading "Underwriting".

Copies of the foregoing agreements and, when executed, of the Trust Indenture referred to under the heading "Description of Debentures" and of the stock options referred to under the heading "Stock Option Plan", may be inspected at the head office of the Company, 50 Lakeshore Road East, Port Credit, Ontario, during ordinary business hours in the period of primary distribution of the securities hereby offered and for a period of 30 days thereafter.

From time to time the Company will enter into contracts in connection with the acquisition and development of properties which may be material but are considered to be in the ordinary course of business.

Auditors

The auditors of the Company are Messrs. Harbinson, Glover & Co., Chartered Accountants, 101 Richmond Street West, Toronto, Ontario.

Opinions of Counsel

Legal matters relating to the issuance of the securities offered by this prospectus will be passed upon by Messrs. Manning, Bruce, Macdonald & Macintosh, Toronto, on behalf of the Company and the Selling Shareholders and by Messrs. Blake, Cassels & Graydon, Toronto on behalf of the Underwriter. The partners of Messrs. Manning, Bruce, Macdonald & Macintosh, counsel for the Company, as at November 30, 1968, beneficially owned, directly or indirectly, an aggregate of 34,000 common shares of the Company.

The title of the Company or its Subsidiaries or of the joint ventures to which they are parties to their properties as at June 30, 1968 will be passed upon by Messrs. Fraser & McLaughlin, Port Credit, Ontario. Messrs. D. R. Fraser and S. B. McLaughlin, who are both directors and are the Secretary and President respectively of the Company, are partners of Messrs. Fraser & McLaughlin. The partners of such firm, as at November 30, 1968, beneficially owned, directly or indirectly, an aggregate of 993,000 common shares of the Company.

S. B. McLaughlin Associates Limited
and Subsidiary Companies

Consolidated Balance Sheet and Pro Forma Consolidated Balance Sheet as at June 30, 1968

ASSETS

	Consolidated Balance Sheet	Pro Forma Consolidated Balance Sheet (Note 1)
Cash	$ 23,262	$ 2,614,642
Investment certificates and accrued interest	229,094	229,094
Accounts receivable	336,115	336,115
Land held for development, at cost (Note 12)	9,215,836	9,695,836
Payments on options to purchase land (Note 12)	80,266	100,266
Development costs of leased land (Notes 6 and 12)	92,402	92,402
Income producing properties, at cost—land, buildings, equipment and services less accumulated depreciation of $30,468 (Note 12)	255,212	255,212
Advances to S. B. McLaughlin & Company Limited (Note 4)	615,320	191,820
Investments in other companies (Note 5)	184,504	184,504
Financing expenses	—	264,000
Deferred charge	—	750,000
Organization expenses	3,924	3,924
	$11,035,935	$14,717,815

LIABILITIES

Bank advances, secured	$ 665,000	$ —
Accounts payable and accrued liabilities	568,560	568,560
Income taxes payable	22,506	22,506
Loans and notes payable	297,118	297,118
Deposits received under land sale agreements (Note 3)	1,667,252	1,667,252
Minority interest in subsidiary (Note 2)	10,000	10,000
Mortgages payable (Note 7)	7,076,687	7,153,187
7% convertible subordinated debentures (Notes 8 and 9)	—	3,000,000
	10,307,123	12,718,623

SHAREHOLDERS' EQUITY

Capital stock:		
Authorized:		
8,000 First preference shares, 6% non-cumulative, redeemable at $110, non-voting, par value $100 each		
(Pro forma—nil shares)		
1,200 Second preference shares, non-cumulative dividend at $1 per share, non-voting, fully participating, no par value		
(Pro forma—nil shares)		
45,000 Common shares, no par value (Notes 8 and 9)		
(Pro forma—5,000,000 shares)		
Issued:		
5,667 First preference shares	566,700	
(Pro forma—nil shares)		—
640 Second preference shares	148,000	
(Pro forma—nil shares)		—
1,229 Common shares	81,903	
(Pro forma—2,069,000 shares)		2,292,403
Less share subscriptions receivable	—	(168,750)
Deficit	(67,791)	(124,461)
	$11,035,935	$14,717,815

Approved on behalf of the Board:

(Signed) D. R. Fraser, Director. (Signed) E. A. Kirk, Director.

The accompanying "Notes to Consolidated Financial Statements" are an integral part of this statement.

S. B. McLaughlin Associates Limited
and Subsidiary Companies

Statements of Consolidated Earnings (Deficit) and Consolidated Retained Earnings (Deficit) for the Five Years and Six Months ended June 30, 1968

	Six Months ended June 30, 1968	Unaudited Six Months ended June 30, 1967	Years ended December 31, 1967	1966	1965	1964	1963
Statement of Consolidated Earnings (Deficit)							
INCOME							
Land sales (Note 3)	$ —	$700,730	$750,730	$1,929,891	$1,155,545	$ —	$ —
Interest, rentals and sundry	18,501	42,599	64,374	130,785	68,586	15,130	5,103
	18,501	743,329	815,104	2,060,676	1,224,131	15,130	5,103
EXPENSES							
Land and development costs (Note 10)	—	296,928	362,180	1,592,745	1,035,603	—	—
Interest	145,153	139,376	209,878	288,943	55,754	10,331	2,272
Depreciation	—	—	—	—	947	539	484
Management fees	—	35,052	29,717	114,515	—	—	—
Administrative and general	30,337	6,992	16,013	15,432	4,595	6,088	2,079
Joint venture losses	22,016	27,641	106,725	12,934	—	—	—
	197,506	505,989	724,513	2,024,569	1,096,899	16,958	4,835
EARNINGS (DEFICIT) before income taxes	(179,005)	237,340	90,591	36,107	127,232	(1,828)	268
Provision for income taxes	31,671	35,000	(6,197)	60,000	56,000	(87)	65
NET EARNINGS (DEFICIT) for the period	($210,676)	$202,340	$ 96,788	($23,893)	$ 71,232	($1,741)	$ 203
Statement of Consolidated Retained Earnings (Deficit)							
RETAINED EARNINGS (DEFICIT) for the period (beginning)	$142,885	$ 46,097	$ 46,097	$ 69,990	($ 1,242)	$ 499	$ 296
ADD NET EARNINGS (DEFICIT) for the period	(210,676)	202,340	96,788	(23,893)	71,232	(1,741)	203
RETAINED EARNINGS (DEFICIT) for the period (end)	($67,791)	$248,437	$142,885	$ 46,097	$ 69,990	($1,242)	$ 499

The accompanying "Notes to Consolidated Financial Statements" are an integral part of this statement.

Notes to Consolidated Financial Statements and Pro Forma Consolidated Balance Sheet as at June 30, 1968

1. Pro Forma Adjustments

The Pro Forma Balance Sheet gives effect to:

(a) The issue of supplementary letters patent dated October 28, 1968 providing for:
   1. Cancelling 2,333 authorized First Preference Shares.
   2. Cancelling 560 authorized Second Preference Shares and converting 640 authorized and issued Second Preference Shares into 640 common shares without par value.
   3. Subdividing the 1,994 authorized and issued common shares into 1,994,000 common shares without par value and subdividing the 43,646 authorized and unissued common shares into 3,006,000 common shares without par value.

(b) The issue of 75 common shares (75,000 common shares on the pro forma balance sheet) between July 1, 1968 and October 15, 1968 for $187,500 of which $18,750 has been paid and the balance of $168,750 is payable on or before October 15, 1970.

(c) The issue of 50 common shares (50,000 common shares on the pro forma balance sheet) on October 15, 1968 to S. B. McLaughlin & Company Limited for termination of the management arrangement. The directors fixed the sum of $750,000 as the value for which these common shares were issued. This amount is the deferred charge.

(d) The issue and sale of $3,000,000 7% convertible subordinate debentures due January 15, 1989 and 75,000 common shares as fully paid and non-assessable for an aggregate cash consideration of $3,891,000, and the charging of the underwriting discount of $234,000 to financing expenses.

(e) The purchase for $500,000 of lands and options to purchase land, described under the heading "City of Woodstock", owned by S. B. McLaughlin & Company Limited, payment being satisfied by the Company assuming a mortgage of $76,500 and by a reduction of $423,500 in the advance to S. B. McLaughlin & Company Limited.

(f) The following payments made from the proceeds of this issue:
   1. The redemption of 5,667 outstanding First Preference Shares at $110 per share for a cash consideration of $623,370.
   2. The repayment of bank indebtedness of $665,000.
   3. The payment of legal, accounting and other expenses estimated at $30,000.

2. Basis of Consolidation:

The consolidated financial statements include the accounts of S. B. McLaughlin Associates Limited and the following subsidiaries which have been included in the consolidation from the dates of their incorporation:

Name	Incorporation Date	Percentage of Ownership
Andril Limited	October 16, 1961	100
Beauporte Inn Limited	January 27, 1966	90
Brumac Developments Limited	March 13, 1963	100
Hub Industrial Leaseholds Limited	May 23, 1963	100
Hub Leaseholds Limited	May 23, 1963	100
Hub Recreation Lands Limited	May 23, 1963	100
Hub Tower Suites Leaseholds Limited	May 23, 1963	100
Metropolitan Peel Development Company Limited	March 1, 1966	100
Mississauga Tower Suites Leaseholds Limited	May 23, 1963	100
Peel Farmers' Market Limited	May 23, 1963	100
Peel Office Mall Leaseholds Limited	May 23, 1963	100
Ronwin Developments Limited	March 13, 1963	100

The minority interest in Beauporte Inn Limited is $10,000.

Where the Company is a participant in a joint venture, the consolidated balance sheet includes the Company's proportionate share of the assets and liabilities pertaining to these ventures. The Company has also provided for its share of the losses incurred by the joint ventures. The Company is contingently liable at June 30, 1968 for approximately $6,000,000 representing the liabilities of its co-owners in the joint ventures, but against such contingent liabilities the Company would have a claim upon the joint venture assets of its co-owners.

3. Accounting for Property Sales:

It is the Company's policy to record income from property sales when all conditions of the sale agreement are fulfilled and title transferred.

4. Advances to S. B. McLaughlin & Company Limited:

The Company has paid advances to S. B. McLaughlin & Company Limited under a management arrangement extending to March 31, 1974. Advances to December 31, 1966 of $395,850 were represented by a promissory note of the management company and personally guaranteed by the chief shareholder of that company and fall due on March 31, 1969, without interest. Advances received subsequent to December 31, 1966 are unsecured. The arrangement was terminated October 15, 1968 with effect from June 30, 1968. Reference is made to Note 1(c) above. Subsequently these advances were reduced by $423,500 as described in Note 1(e).

5. Investments in Other Companies:

Metropolitan Halton Homes Limited:	
Common shares representing 49% of the issued capital stock	$ 49
Advances	44,955
Other investment, no quoted market value	139,500
	$184,504

The Company's share of the earnings of Metropolitan Halton Homes Limited for the year ended August 31, 1967 was $13,300. This profit has not been taken up in the accounts of the Company.

6. Commitments and Contingencies:

(i) A subsidiary is the lessee under a ground lease having an unexpired term of 97 years with annual ground rent of $40,000. The lease contains an irrevocable option to purchase the property for $600,000.

(ii) A letter of credit relating to the performance of a servicing agreement with a municipality is outstanding in the amount of $600,000.

(iii) Commitments for the acquisition of property amounted to $593,000 at June 30, 1968.

7. Mortgages Payable:

The mortgages are subject to interest rates varying from 6% to 11%. The principal payments due in 1968 and the next five fiscal years in respect of these mortgages are as follows:

	June 30, 1968	After Pro Forma Entries
1968	$ 383,946	$ 383,946
1969	722,695	722,695
1970	1,777,250	1,777,250
1971	876,525	876,525
1972	839,774	916,274
1973	1,096,003	1,096,003
after 1973	1,380,494	1,380,494
	$7,076,687	$7,153,187

8. Debentures:

The Debentures will be dated January 22, 1969; will mature on January 15, 1989; and will bear interest at the rate of 7% per annum payable half-yearly on July 15 and January 15 in each year.

The Debentures will be redeemable at the option of the Company on 30 days' notice at the principal amount together with unpaid interest and a premium of 7% in 1969 decreasing to par in 1988.

The Company will pay to a Trustee on January 15, 1980-1988 inclusive an amount sufficient to retire $300,000 principal amount of Debentures as a mandatory sinking fund.

The Debentures will be convertible into common shares of the Company at any time before January 15, 1979 at the rate of 50 shares for each $1,000 principal amount of Debentures.

9. Reservation of Common Shares:
100,000 common shares have been reserved for an Incentive Stock Option Plan for Key Employees. The Company proposes to grant options to senior officers to purchase 60,000 common shares of the Company at $15 per share before the completion of the present financing. 150,000 common shares have also been reserved for conversion of the Debentures.

10. Change in Accounting Policy:
Prior to December 31, 1965 the Company capitalized $652,000 of carrying cost applicable to land held for resale. In subsequent years carrying cost of resale land has been expensed. Approximately $307,000 of the above amount has been charged to the cost of land sold since December 31, 1965.

11. Subsequent Events:
On August 28, 1968 the Company acting as agent for a joint venture in which the Company has a 50% interest, entered into an agreement to purchase land in the Town of Mississauga for an aggregate consideration of $6,750,000. Of this amount $150,000 has been paid prior to December 11, 1968; $500,000 is payable on January 22, 1969; semi-annual installments of $100,000 are payable January 15 and July 15, 1969 to 1977 inclusive and the balance is payable June 30, 1978.

Between June 30 and December 11, 1968 the Company and the joint ventures mentioned above have in the ordinary course of their operations entered into agreements and acquired options to purchase additional lands in the Town of Mississauga and elsewhere in the Province of Ontario. The aggregate amount which has been paid and the balance payable under all such agreements and such options, if exercised, (which sums include only the Company's share in the case of joint venture transactions) are $365,000 and $6,291,059 respectively.

12. Appraisal:
The properties of the Company and its subsidiaries as they existed at June 30, 1968 were appraised by Stewart, Young & Mason by an appraisal dated October 18, 1968. By this appraisal, the Company's interest in properties having a book value of $10,143,716 was ascribed a current market value of $34,852,000. The appraisal surplus of $24,708,284 is not reflected on the balance sheets.

13. Income Taxes:
Federal income tax authorities have reviewed the returns of the Company and all its subsidiaries for all years including the fiscal year 1964. Reassessments have been received in respect of two subsidiary companies and have been satisfied.

Auditors' Report

To the Directors of
S. B. McLaughlin Associates Limited:

We have examined the consolidated balance sheet and pro forma consolidated balance sheet of S. B. McLaughlin Associates Limited and subsidiary companies as at June 30, 1968 and the statements of consolidated earnings (deficit) and consolidated retained earnings (deficit) for the five years and six months ended June 30, 1968. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion:

(a) the accompanying consolidated balance sheet presents fairly the financial position of the companies as at June 30, 1968;

(b) the accompanying pro forma consolidated balance sheet presents fairly the financial position of the companies as at June 30, 1968 after giving effect to the changes set forth in Note 1; and

(c) the accompanying statements of consolidated earnings (deficit) and consolidated retained earnings (deficit) present fairly the results of operations of the companies for the five years and six months ended June 30, 1968;

all in accordance with generally accepted accounting principles applied on a consistent basis subject to the change referred in Note 10, with which we concur.

Toronto, Ontario
December 11, 1968.

(Signed) Harbinson Glover & Co.
Chartered Accountants

Certificates

Dated: December 27, 1968

Company

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, by the Quebec Securities Act and by section 13 of the Securities Act (New Brunswick).

(Signed) S. B. McLaughlin
Chief executive officer

(Signed) E. A. Kirk
Chief financial officer

On behalf of the Board of Directors

(Signed) R. E. Winter, Director

(Signed) Marshal Stearns, Director

Directors

(Signed) David A. Bullock

(Signed) F. H. Falkiner

(Signed) D. R. Fraser

(Signed) G. L. Jennison
By D. R. Fraser, Agent

(Signed) E. A. Kirk

(Signed) S. B. McLaughlin

(Signed) Marshal Stearns

(Signed) J. M. Tory
By D. R. Fraser, Agent

(Signed) R. E. Winter

Underwriter

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, by the Quebec Securities Act and by section 13 of the Securities Act (New Brunswick).

A. E. Ames & Co. Limited

By: (Signed) J. M. Stewart

The following are the names of all persons having an interest, directly or indirectly, to the extent of not less than 5% in the capital of A. E. Ames & Co. Limited: J. O. Hughes, W. P. Spragge, W. B. Macdonald, W. J. Piper, J. M. Stewart, D. B. Shaw, R. N. Steiner, R. W. Warren.

22. DIRECTORS

The directors of the Company are:

Name	Home Address
David Allen Bullock	20 Rochester Avenue, Toronto, Ontario
Frederick Halburd Falkiner	1487 Larchview Trail, Port Credit, Ontario
Donald Reid Fraser	2305 Mississauga Road, Port Credit, Ontario
George Leslie Jennison	243 Warren Road, Toronto, Ontario
Edward Alexander Kirk	1601 Watersedge Road, Mississauga, Ontario
Stuart Bruce McLaughlin	1574 Lochlin Trail, Mississauga, Ontario
Marshal Stearns, M.B.E.	91 Glen Edyth Drive, Toronto, Ontario
James Marshall Tory, Q.C.	11 Dinnick Crescent, Toronto, Ontario
Ronald Eugene Winter	96 Betty Ann Drive, Willowdale, Ontario

CERTIFICATE

Pursuant to a resolution passed by the board of directors the applicant Company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange. The undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

CORPORATE SEAL

S. B. McLAUGHLIN ASSOCIATES LIMITED

by: "S. B. McLAUGHLIN",
President

by: "D. R. FRASER",
Secretary

CERTIFICATE OF UNDERWRITER

To the best of our knowledge, information and belief all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

A. E. AMES & CO. LIMITED

by: "J. M. STEWART"

DISTRIBUTION OF COMMON STOCK AS OF FEBRUARY 14, 1969

Number			Shares
3	Holders of	1 — 24 share lots	12
8	" "	25 — 99 " "	325
196	" "	100 — 199 " "	23,375
71	" "	200 — 299 " "	17,500
16	" "	300 — 399 " "	5,850
—	" "	400 — 499 " "	—
35	" "	500 — 999 " "	22,600
61	" "	1000 — up " "	1,999,338
390	Shareholders	Total shares	2,069,000